

Atchison System Earnings Equivalent Of \$14.61 a Share

Net Operating Income at the Rate of 5.15% on Tentative Valuation; Expenditures Are Reduced 36%

Despite the great slump in traffic during the first two months of last year the Atchison, Topeka & Santa Fe Railway's net income available for dividends was, with one exception, the largest in the history of the company. Net corporate income totaled \$39,831,661, a sum equivalent to \$14.61 a share on the basis of \$14.03 a share in 1920. Comparison of publicly operating results for two years brings out the following facts: Gross operating revenues in 1921 decreased \$2,822,000 and total operating expenses decreased \$81,484,000. The savings affected by the Atchison system last year through curtailment of expenditures in maintenance and equipment were proportionately much smaller than those of most of the large systems that have released their 1921 earnings statements thus far. The total decrease in expenditure on these two items was \$14,250,000, and this was only about 30 per cent of the net corporate income. In the case of the other large systems the saving in maintenance and equipment was 36 to 300 per cent of net corporate income.

The explanation for the relatively more favorable showing of Atchison lies in the fact that during 1920, when a majority of the carriers were showing losses on operations, the Atchison system earned a substantial percentage on its common stock without regard for the government compensation and general operating income of \$41,968,000 in 1921 compared with \$37,800,000 in 1920.

These earnings statements, coupled with the balance sheet as of December 31, 1921, explain why the Atchison has been able to keep out of the money market during the last two years of extensive corporate financing. At the end of last year the company held in its treasury \$1,000,000 cash and, addition, the Atchison had its affiliated railway companies owned \$19,155,000 of Liberty bonds and Victory notes.

Neither the company nor any of its auxiliaries had any notes or bills outstanding. Total current assets decreased \$10,299,000 to a total of \$87,100,000 for the year, but this reduction was almost entirely accounted for in the elimination of \$68,900,000 government compensation accrued to the end of 1920. Current liabilities stood at \$28,279,000, a decrease of \$21,400.

The total charge to capital account, as shown in the balance sheet, aggregated \$1,500,000, an increase during the year of \$27,550,000.

This increase in capital account was accounted for by construction and acquisition of new mileage, including the acquisition of stocks and bonds of other companies; additions and betterments to fixed property and equipment; investments in terminal and collateral companies. The common stock outstanding was increased \$682,000 during the year through the issuance of shares in exchange for convertible bonds. At the same time the outstanding funded debt of the system was reduced \$1,184,000 to a total of \$289,888,669.

The net operating income was at the rate of 5.15 per cent on property valuation of \$79,000,000. On the basis of this unaudited valuation the Atchison would have to earn over \$48,000,000 before any part of its net operating income would be turned over to the government.

To Change Wheat Grades Also Announced

Alterations of Inspection Rules Also Announced

WASHINGTON, April 17.—Various changes in wheat grades were announced to-day by Secretary Wallace.

Changes will be made effective July 17, common white and white club being combined into one class designated white wheat, this new class to be subdivided into three sub-classes: hard white, soft white and Western white.

Making the same application of the hard white and soft white sub-classes as is present and designating as Western white all white wheats of mixtures containing more than 10 per cent club wheat, the soft red winter wheat known as "soft red winter wheat," will be called "Western white."

Inspection rules also will be amended to require inspectors to state the grade that would be assigned to wheat if it were not evenly, and in the case of garlicky wheat to show the amount of garlicky found, which the Secretary said will give basis for price information showing the cash price paid at the terminals for wheat containing different quantities of garlicky.

Cities Service Co. Earnings Equal to \$13.04 on Common

Compares With \$43.09 in Previous Year; Income From Public Utility Properties Increases 50.8 P.C.

The Cities Service Company, despite the demoralized condition of business during a part of 1921 and a drastic cut in crude oil prices, reported net earnings of \$10,846,585, equivalent after preferred dividends to \$13.04 a share on the average common stock outstanding.

The effect of the slump in the oil market was shown by the fact that earnings for the common in 1920 were equivalent to \$43.09 a share.

The annual report, issued to stockholders to-day, reveals to what an important extent the earnings from the public utility properties contributed to last year's revenues. Income from this source was \$6,918,740, an increase of 50.8 per cent over the preceding year, while the income from oil operations amounted to \$6,543,029, compared with \$20,088,127 in 1920.

Gross earnings last year were \$13,461,770, against \$24,698,339 in 1920 and of this 97.97 per cent gross for the preceding year. President J. W. Wilson, president, says in annual report that though the year 1921 was one of retrenchment in many lines the company succeeded in reducing its liabilities by \$13,375,000.

Earnings from the company's public utility properties were sufficient to pay most of the interest of Cities Service's bond issues, but left only a little of covering preferred dividend requirements.

The report included a consolidated balance sheet in which each item was explained. This is believed to be the first time that a public utility corporation has adopted this policy.

The report stated that this was done so that stockholder might read the balance sheet intelligently and know just what the financial condition of the company really is.

Total current liabilities as shown by the balance sheet as of December 31, 1921, explain why the Atchison has been able to keep out of the money market during the last two years of extensive corporate financing. At the end of last year the company held in its treasury \$1,000,000 cash and, addition, the Atchison had its affiliated railway companies owned \$19,155,000 of Liberty bonds and Victory notes.

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Markets in Other Cities

Southern Railway Trusts

WASHINGTON, April 17.—In an application to the Interstate Commerce Commission yesterday asked permission to assume liability for the payment of interest and principal of an issue of \$9,300,000 in equipment trust certificates, from the sale of which the company will finance purchases of new rolling stock. It is proposed to make the obligations payable in fifteen years, at 5½ per cent interest.

The American Acceptance Council quoted the following discount rates on prime bankers' acceptances eligible for purchase by Federal Reserve Banks:

Commercial Credit

As a result of the general retail Easter business, wholesale distributions yesterday were said to have shown an improvement. Retailers are gradually cleaning up their past due accounts, but the process is slow, and collections in general are reported as being "backward."

The commercial money markets showed little change. Demand for new commercial money continued relatively light. Prime commercial paper is discounting at 4½ per cent, with less desirable paper running up to 5 per cent.

The American Acceptance Council quoted the following discount rates on prime bankers' acceptances eligible for purchase by Federal Reserve Banks:

Bid Ask

Thirty days..... 3½ 3¾

Sixty days..... 3½ 3¾

Ninety days..... 3½ 3¾

120 days..... 3½ 3¾

Call loans against acceptances, 3 per cent.

Cottons Continue Active

apparatus in the unfinished or gray cotton goods market toward the close of last week continued yesterday with prices making further gains. Demand broadened and took in some classifications of goods that hitherto have not been particularly active. Print cloths were in good call and at the close of the day brokers reported that 64-60, 38-2 inch prints were not obtainable for less than 75 cents a yard. This marked an advance of an eighth of a cent over yesterday.

Finished cotton goods showed little change. Converters report orders for fancy wash goods for summer use coming in slowly, but fairly steadily. Some new ideas are being offered in cottons in an effort to stimulate trade. One large house is showing a complete line of cotton homespuns, analogous to the homespun materials in wool that have been in vogue for some time.

Russian Leather Export Monopoly Goes to Germans

MOSCOW.—March 4 (By Mail).—The trade organ of the Supreme Economic Council reports that a German company has secured the monopoly of leather exports from Russia. The trust formed for this purpose is to have a capital of \$5,500,000, the Russian government retaining 5,000 shares.

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U. S. Steel Getting Good Coal Supply, Says Judge Gary

Tells Stockholders Export Business Increases; Operations 75%; Woodrow Wilson Has 47 Pfd. Shares

ELBERT H. GARY, chairman of the United States Steel Corporation, told stockholders at the annual meeting yesterday in Hoboken that the company was "being well taken care of" in regard to coal and coke supply. He stated that coal operations in the Birmingham district and in the Peoria, Illinois, and Kentucky districts were running full and that the corporation is receiving 117,000 tons a week, in addition to about 54 per cent from the Connellsville section.

Judge Gary asserted that the export business of the Steel corporation had been good throughout the year, and was not evenly, and in the case of garlicky wheat to show the amount of garlicky found, which the Secretary said will give basis for price information showing the cash price paid at the terminals for wheat containing different quantities of garlicky.

Business Active at Opening Of Summer Millinery Season

Many Retailers Attend Formal Launching; Trades Select New Range of Colors by Co-operative Action

The wholesale and manufacturing distribution of dry goods last week, according to Marshall Field & Company's weekly report was not as large as for the corresponding period of last year.

Orders from road salesmen for immediate delivery also fell behind the volume of the year before.

"This," says the report, "reflects the effect of adverse weather conditions on retail business in many sections.

"Merchants are placing orders for fall delivery with increasing confidence, however, so that our road sales volume for the week showed a large increase over the same week of 1921.

"There were approximately the same number of customers in the market as a year ago.

"Collections were not up to the standard of the same week of last year."

Buyers Arrived

Fairchild Service

AKRON, Ohio.—Fairchild Co., C. E. Drake, president, specialty, hosiery and apparel, silk stockings, men's ties, gloves and ribbons, care dresses, coats, hats, men's suits, men's clothing, Martinique.

DETROIT, Mich.—F. J. Miller, silk stockings, men's suits, men's clothing, Martinique.

PHILADELPHIA, Pa.—John F. O'Neill, men's clothing, Martinique.

BIRMINGHAM, Ala.—John F. O'Neill, men's clothing, Martinique.

CHARLOTTE, N. C.—John F. O'Neill, men's clothing, Martinique.

CHICAGO, Ill.—John F. O'Neill, men's clothing, Martinique.

CINCINNATI, Ohio.—John F. O'Neill, men's clothing, Martinique.

HOUSTON, Tex.—John F. O'Neill, men's clothing, Martinique.

KANSAS CITY, Mo.—John F. O'Neill, men's clothing, Martinique.

LOS ANGELES, Calif.—John F. O'Neill, men's clothing, Martinique.

MINNEAPOLIS, Minn.—John F. O'Neill, men's clothing, Martinique.

NEW YORK, N. Y.—John F. O'Neill, men's clothing, Martinique.

PITTSBURGH, Pa.—John F. O'Neill, men's clothing, Martinique.

ST. LOUIS, Mo.—John F. O'Neill, men's clothing, Martinique.

SYRACUSE, N. Y.—John F. O'Neill, men's clothing, Martinique.

WICHITA, Kan.—John F. O'Neill, men's clothing, Martinique.

WILMINGTON, Del.—John F. O'Neill, men's clothing, Martinique.

WISCONSIN, Milwaukee.—John F. O'Neill, men's clothing, Martinique.

WOMEN'S WEAR.—John F. O'Neill, women's clothing, Martinique.

Business Troubles

Petitions in Bankruptcy

The following petitions in bankruptcy were filed yesterday in the United States District Court:

BRIDGEWATER, N. J.—John F. O'Neill, men's clothing, Martinique.

DETROIT, Mich.—John F. O'Neill, men's clothing, Martinique.

INDIANAPOLIS, Ind.—John F. O'Neill, men's clothing, Martinique.

JOHNSON CITY, Tenn.—John F. O'Neill, men's clothing, Martinique.

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